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1955

# HANDBOOK of Commodity Distribution

INSTRUCTIONS PERTAINING TO ADMINISTRATION  
OF DIRECT DISTRIBUTION PROGRAMS  
BY DISTRIBUTING AGENCIES.



SEPTEMBER 1955

UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL MARKETING SERVICE  
Food Distribution Division

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UNITED STATES DEPARTMENT OF AGRICULTURE  
Agricultural Marketing Service

HANDBOOK OF COMMODITY DISTRIBUTION

FOREWORD

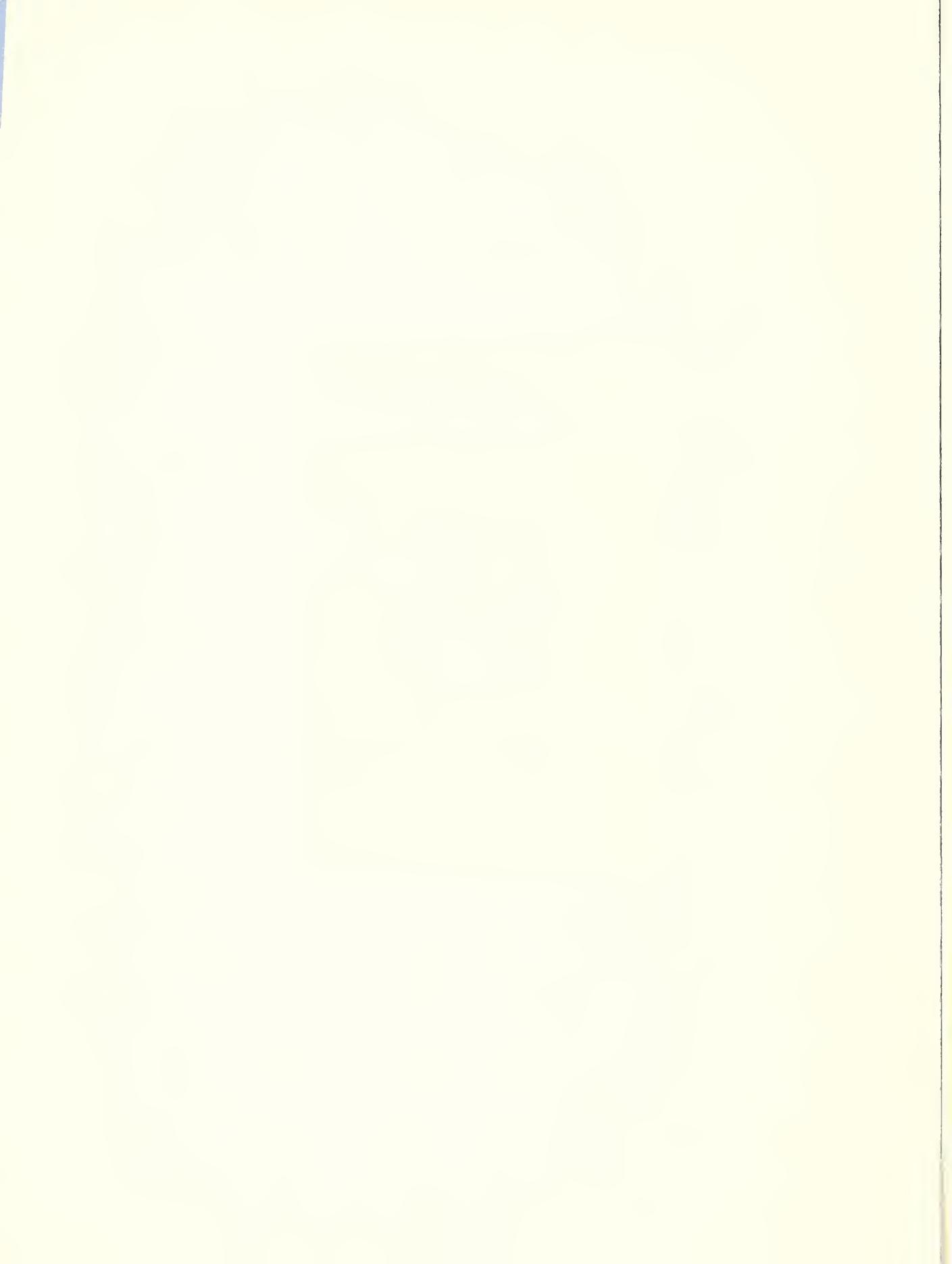
This Handbook has been revised and brings together in one publication the instructions and regulations which pertain to the responsibilities and duties of Distributing Agencies that are engaged in the distribution of commodities donated by the United States Department of Agriculture.

Careful observance of and conformance with the provisions contained herein will facilitate the delivery of, control of, and accountability for commodities donated by the United States Department of Agriculture.

*John W. Parker*  
Director

Food Distribution Division

September 1, 1955



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## HANDBOOK OF COMMODITY DISTRIBUTION

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PART I - HANDBOOK OF COMMODITY DISTRIBUTION  
General

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I      RESPONSIBILITIES

Under existing legislation, Distributing Agencies (D/A) and the United States Department of Agriculture (USDA) have certain joint and individual responsibilities in the administration of Direct Distribution Programs.

A Distributing Agencies: In order to properly effectuate the USDA's price support and surplus removal programs, the commodities acquired by the USDA under these programs must be beneficially and properly utilized. The D/A's perform important and necessary functions by providing channels of distribution through which these commodities may reach organizations and individuals that need and could not otherwise procure them. These distribution channels also provide for the distribution of commodities that are purchased by the USDA under the provisions of the National School Lunch Act in order to "safeguard the health and well-being of the Nation's children."

Within the terms and conditions of the agreement entered into between the D/A and the USDA, the D/A is empowered to pass upon the eligibility of recipient organizations or individuals to receive commodities donated by the USDA. The D/A is authorized to request delivery of such commodities as are available and can be beneficially utilized within the terms of the Notice of Allocation issued by the USDA. The D/A is responsible for the proper receipt, distribution, storage, utilization and accountability for donated commodities that are delivered into its custody.

B United States Department of Agriculture: The USDA, through the Food Distribution Division of the Agricultural Marketing Service, is responsible for the administration of programs relating to the distribution of commodities donated by the Federal Government for domestic consumption.

Within the provisions of existing legislation, the USDA will issue instructions, provide supervision and offer such advice and assistance as will provide maximum benefits from its programs and facilitate the operations of D/A's.



PART II - HANDBOOK OF COMMODITY DISTRIBUTION  
Eligibility

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I PURPOSE

This instruction sets forth the groups that are eligible to receive commodities donated by the U. S. Department of Agriculture under the following authorities:

A Section 32 of the Act of August 24, 1935, as amended and related legislation. All groups listed below are eligible to receive Section 32 commodities.

B Section 416 of the Agricultural Act of 1949. All groups listed below are eligible to receive Section 416 commodities.

C Section 6 of the National School Lunch Act, Public Law 396, approved June 4, 1946. Only schools participating in the National School Lunch Program are eligible to receive Section 6 commodities except as provided in Par. II G, below.

II ELIGIBLE GROUPS

The following type of organizations are eligible to receive commodities PROVIDED they agree that (1) donated commodities will be used for their consumption and will not be sold, traded, or otherwise disposed of; (2) there will be no discrimination or segregation between paying and nonpaying persons receiving donated commodities; (3) adequate facilities will be provided for the handling, storing, and use of the donated commodities; (4) expenditures for food will not be reduced because of the receipt of such donated food commodities, except that this condition does not apply to Section 6 commodities distributed to schools participating in the National School Lunch Programs; and (5) commodities available will be requested only in such quantities as will be fully utilized.

A Schools: Public, Indian and nonprofit private schools of high school grade or under operating nonprofit school lunch programs. Schools not serving complete meals, but otherwise meeting the above requirements may receive only commodities that do not require preparation for serving.

B Welfare Agencies: Public or private welfare agencies that serve or assist persons or families in need.

1 Eligible Recipient - Persons or families receiving the following types of assistance may be certified to receive commodities:

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(II E 1)

- a Direct relief.
- b Old age assistance.
- c Aid to the blind.
- d Aid to dependent children.
- e Any similar category of assistance.
- f Persons or families certified as in need, whether

or not they receive any other form of assistance.

C Indians: All Indians determined to be in need.

D Institutions: Nonpenal, public and private charitable institutions - Tax-exempt, nonprofit institutions are eligible to the extent of the number of needy persons unable to pay the full charge for services provided to them.

E Summer Camps and Child Care Centers (CCC): Tax-exempt, nonprofit summer camps and CCC operated for the benefit of children.

NOTE: The Department may, due to limited supply or other factors, restrict distribution to one or more of the above outlets.

F Emergency and Disaster Relief Organizations: Any organization providing emergency or disaster relief is eligible PROVIDED specific authorization is granted by the Area office.

G Experimental or Testing Agencies: Organizations or agencies, public or private, that are engaged in bona fide experimental, testing or demonstration work for the sole benefit of eligible schools, institutions, agencies, or organizations are eligible to receive donated commodities for such purposes, provided the State agency administering the National School Lunch Program approves the particular demonstration, experiment or test when Section 6 commodities are used.

ACTION BY: FDD Area Offices and State Distributing Agencies

Part II A - Handbook of Commodity Distribution  
DISTRIBUTION TO NEEDY PERSONS

I PURPOSE

The purpose of this instruction is to outline procedures to be followed in effecting distribution to needy persons.

II CANCELLATION

This instruction supersedes paragraphs II B & C of Instruction 841-1, dated June 1, 1950. The remaining provisions of 841-1 continue in effect.

III ELIGIBILITY

Persons who have been certified as needy by a public agency legally responsible for public assistance or relief are eligible to receive Section 32 and Section 416 commodities. Distribution to needy persons may be made only after a plan has been submitted to and approved by the Area Office showing the procedure and methods to be used in certifying and distributing such commodities. Needy persons may include the following:

A Public Assistance Recipients - Persons who are the recipients of, or have been declared eligible to receive financial or other assistance provided for the needy by a State or local government and persons receiving assistance or benefits under the programs of old-age assistance, aid to dependent children, aid to the blind, or aid to the permanently and totally disabled or similar programs based on economic need provided for in the Social Security Act may be certified for commodities as herein provided.

B Private Assistance Recipients - Persons who are the recipients of, or have been declared eligible to receive, financial or other assistance provided for the needy by private charitable agencies and institutions may be referred to an authorized public welfare agency who may certify them as herein provided.

C Other Needy Persons - Unemployed, part-time employed or other persons, including Indians, whose incomes are so low as to result in their having need for additional food may be referred to an authorized public welfare agency that may certify them as herein provided.

#### IV CONDITIONS FOR DONATIONS

A Public Agency Certification - Commodities shall be distributed only to needy persons who have been certified as needy by a State or local public welfare agency or, in the case of Indians, by a public welfare agency or by the Bureau of Indian Affairs. In carrying out its responsibility for certification as to need, a State or local public agency may utilize the services of responsible and accredited private welfare agencies. However, final official certification of need must be made by the Federal, State or local public welfare agency after referrals have been made by the private welfare agencies.

B Reviews of Need Status - Certification of a person as needy shall remain valid only so long as his economic need exists. The conditions of need for all persons certified must be reviewed periodically by a Federal, State or local public agency to determine that such persons remain needy.

C Maintenance of Established Assistance Levels - In accepting commodities, agencies assisting needy persons must agree in writing not to reduce the level of financial or other assistance provided to the needy persons served by them because of the donation of USDA commodities.

#### V USE OF SUB-DISTRIBUTING AGENCIES

The State distributing agency may enter into an agreement with a State or local public agency under which such agency may act as a sub-distributing agency for the distribution of commodities to needy persons.

The State distributing agency or its authorised sub-distributing agencies may, by agreement, utilise the services and facilities of other public or responsible private agencies in effecting the physical delivery of commodities to eligible needy persons. However, such distribution must be supervised by, and remain the responsibility of, the State distributing agency. The State distributing agency will be held fully accountable for the proper distribution of all commodities made available to it by the United States Department of Agriculture.

## VI      RESPONSIBILITIES OF STATE DISTRIBUTING AGENCIES

The State distributing agency shall provide for, or shall cause to be provided for use by its authorized sub-distributing agencies or other authorized agencies whose services are utilized in the certification of eligible persons or in the delivery of commodities, the following procedures, operations and reports in order to insure proper accountability of the commodities donated:

A Record of Eligibles - A master record of all persons or families certified to receive donated commodities must be maintained in each area of distribution.

1. This record must show, as a minimum, the name and address of head of family, the date on which certification was made, the family size, and the type of recipient, i.e., public assistance or other.

2. The master record must be kept up-to-date to reflect recertifications, deletions of eligibles, and additions of newly certified eligibles.

B Identification - Some means of identifying each person duly certified as needy must be provided so that it may be readily established that such person is entitled to receive donations of commodities at the time distribution is made. If the needy person is unable to appear in person for his commodities he may designate in writing a representative to receive his donation. The commodities shall not be delivered to any person unable to present or establish such identification.

C Distribution Records - Distribution records must be maintained which will reflect the delivery of commodities to eligible needy persons. Only persons or heads of households included in the master record of eligibles shall appear on the distribution record.

D Commodity Accountability - Record shall be maintained to show the amount of commodities received for distribution to needy persons, the amount delivered, substantiated by signatures indicating receipt by the recipient or his authorized representative, and the amount remaining on hand. The following minimum information must be shown on the document containing signatures of persons receiving commodities:

- 1 Name of person or head of household.
- 2 Type of recipient, i.e., public assistance or other.
- 3 Number of eligible persons in household.
- 4 Name and amount of commodities distributed.
- 5 Date of distribution.
- 6 Signature of recipient.

E Storage and Distribution Facilities - Adequate handling and storage facilities, including cooler and cold storage where needed, shall be provided for the proper safeguard of commodities. Adequate facilities for the distribution and delivery of commodities to needy persons shall be provided, including sufficient space and personnel to perform such repackaging as may be required.

F Financial Accounting - In those instances where all distribution costs are not financed by State or local public funds and it becomes necessary to establish another method of defraying distribution costs, records must be maintained in a manner which will permit audit of collections and disbursements by State or Federal auditors. Any such system must be a nonprofit operation and approved by the appropriate Area Office of the Food Distribution Division. In the event the D/A or sub-D/A contracts for warehousing, transportation or other services for which a charge is made in connection with the distribution of USDA-donated commodities, such contracts must provide for periodic audit by State and/or Federal auditors.

G Rates of Distribution - The rate at which commodities will be distributed to individuals and families will be established by the D/A. To assist in establishing these rates, the Department will provide distribution guides at time allocations are made. The distribution rates established in this guide may be increased or decreased at the discretion of the responsible D/A. However, any increase should be made only after the D/A is satisfied that the amount distributed will be utilized without waste and will not result in commodities being traded, sold, or otherwise diverted to unauthorized use.

H Monthly Reports - Reports must be submitted each month by the D/A to the appropriate Area Office of the Food Distribution Division giving the number of recipients and commodities received. The Department will provide appropriate forms to be used in submitting such reports giving the number of persons certified as eligible, the number of recipients, and the commodities received.

I Disposition of Inventories - At the expiration of any distribution program for needy persons, all inventories of commodities in the hands of authorized sub-distributing agencies or their agents shall be reported to the D/A for proper disposition through other eligible outlets. A complete report of such inventories and the disposition thereof shall be made to the Area Office of the Food Distribution Division.

J Supervision - Adequate State administrative personnel shall be provided to insure that certification of eligibles and distribution of commodities are made in accordance with the requirements of this

(VI J)

instruction and shall include the verification of such operations through field visits and observations.

K Irregularities - State distributing agencies shall investigate and report any irregularities in connection with welfare distribution to the appropriate Area Office of the Food Distribution Division and immediately institute the necessary corrective action.



ACTION BY: FDD Area Offices and State Distributing Agencies

PART III - HANDBOOK OF COMMODITY DISTRIBUTION  
Allocation of Commodities

I PURPOSE

The purpose of this revision is to set forth the basis, method, and responsibility in the allocation of commodities.

II CANCELLATION

This instruction supersedes Instruction 842-1, dated 6-1-50 and attached Distribution Schedules which should be removed from the Handbook of Commodity Distribution.

III BASIS OF ALLOCATIONS

The basis for allocation of commodities to D/A's is as follows:

A Section 6 Commodities - Section 6 commodities are allocated insofar as practicable on the basis of the peak number of children participating in Types A and B programs in the National School Lunch Program in each State in the previous fiscal year as related to the total number of children participating in all States. Inventories in the State will also be a determining factor.

B Section 32 and Section 416 Commodities - These commodities are allocated on the basis of eligible participants and, in the case of perishables, the known food preservation and storage facilities available. Existing inventories in the State will also be a determining factor. Eligible outlets include schools, charitable institutions, welfare recipients and others as defined in 841-1, Part II, and 841-2, Part II A.

IV ALLOCATION OF COMMODITIES TO D/A's

Allocation of all commodities will contain, as a minimum, the following information:

## (IV)

A Name of commodity. (Program Authority)

B Location.

C Quantity.

D Description how packed.

E Carloadings.

F Distribution guides.

G Eligible recipients.

H Period of shipments. Deadline date for acceptance; deadline date for shipment.

I Special storage requirements, if any.

J Any special information or instructions necessary such as restrictions on distribution or reallocation, deadlines, stopovers, etc.

## V GUIDES FOR ESTABLISHMENT OF DISTRIBUTION RATES

The Published Distribution Schedules which were issued as attachments to former Instruction 842-1 are no longer in effect and will be superseded by suggested guides for distribution which will be issued at time allocations are made. These guides are based upon the best information available as to the average rate of consumption per month of use of various commodities by children in schools, by indigents in institutions and by needy persons. These guides are set forth for the purpose of assisting distributing agencies in establishing actual rates of distribution for individual commodities. The distribution rates as used by the distributing agencies may, therefore, be more or less than the guides.

## VI FACTORS OF DISTRIBUTION

Distributing agencies in making allocation and distribution of commodities to recipient agencies should take the following factors into consideration:

A Period of Distribution and Utilization - Distributing agencies should, where possible, distribute commodities at least monthly. Frequent distribution provides for the most satisfactory inventory control and conservation of storage facilities and reduces the possibility of commodity loss and spoilage due to the inadequacy of storage facilities at the

(VI A)

recipient agency level. However, where it is impracticable to make monthly distribution, the distributing agency should determine that a period of utilization (the number of months that a given amount of a commodity will last if used at the rate of distribution established by the D/A) is not in excess of the safe storage period.

B Storage Facilities - Commodities should not be distributed to a recipient agency in a quantity greater than it can safely store during the expected period of utilization. The Handbook of Storing Direct Distribution Foods gives approximate safe keeping times under various temperatures and storage conditions and D/A's should assure themselves that storage facilities available to the recipient agencies will safely store the commodity being distributed during the expected period of utilization.

C Inventories - The amount of a commodity that a recipient agency has on hand must be considered when additional allocations of the same commodity are to be made. The total amount of a commodity available at one time is the amount to be allocated, plus the amount in inventory. Therefore, this total amount should be considered in determining the period of time during which a given commodity should be used.

## VII ACCEPTANCE AND REJECTION OF ALLOCATIONS BY D/A

A Acceptance - The D/A, upon receipt of an allocation from the Area Office will, if accepted in whole or in part, proceed with required steps as outlined in Paragraph III A, Part IV., FD-843-1, as revised 4-14-53.

B Rejection - If, upon receipt of an allocation, it is rejected in whole or in part, the D/A must advise the Area Offices in writing as to the reason(s) for the rejection.

C Redonation of Commodities by a Distributing Agency - Whenever a D/A has commodities on hand which they cannot efficiently utilize, a request should be made immediately to the Area Office for instructions as to the disposition of such commodities.

## VIII ALLOCATION OF COMMODITIES TO RECIPIENT AGENCIES BY D/A

Allocation of all commodities to recipient agencies originate with the D/A. Commodities may be allocated only within the terms of the allocation received from the Area Office. In addition, commodities may be distributed only to those recipient agencies which accept allocations by making requests for the commodities offered. The recipient agencies' requests may be secured in combination with the required receipt at the time of actual delivery and acceptance of the commodity by the recipient agency.



PART IV - HANDBOOK OF COMMODITY DISTRIBUTION  
Delivery Order (Form FP-54)

I PURPOSE

This instruction sets forth the procedure to be followed in the use of Delivery Order (D/O), Form FP-54 by a Distributing Agency (D/A).

II PURPOSE AND USE

The D/O is the document used by a D/A to order commodities from the United States Department of Agriculture (USDA); to furnish shipping instructions to USDA and to receipt for the commodities delivered. This form will only be used to order commodities on which the Government pays transportation.

A When D/O is Required: A D/O is required for each requested shipment of a carload or less for each destination.

1 Split Shipments of Carloads: In preparation of D/O's to cover deliveries to two destinations made from one carload, the D/A must ascertain that proper routing is arranged so that the stop-off point is in a direct line with point of final destination. "Out of line" movements cannot be approved as they move on a high cost "local" rather than "through" freight rates.

III PREPARATION AND DISTRIBUTION

The following instructions furnish in detail the information necessary for the preparation of the D/O by the D/A.

A Following Acceptance of Allocation: Following acceptance of an allocation of a commodity, the D/A originates the D/O(s) by filling in the numbered subparagraphs as follows, which correspond to the numbered spaces on the attached facsimile of the D/O (Exhibit A):

1 STATE: Enter the name of the State or Territory in which the D/A is located.

2 COMMODITY: Enter the name of the commodity as it is given in the Notice of Allocation from the Area office.

3 QUANTITY: Enter the amount and description of the units ordered, e.g., 500 cases 2 $\frac{1}{2}$ , 450-100 lb. sacks, 536 bu. baskets, etc., as indicated in the Notice of Allocation.

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Delivery Order (Form FP-54)

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(III A)

4 Delivery at Destination (Dates) - Unless delivery at destination must be made during a specified period in order to be accepted by the consignee this space should be left blank. The phrase "soon as possible" may be inserted.

5 Agency Order Number - Enter D/A identifying number if desired.

6 Name of Agency - Enter the exact full name of the D/A as it is used in the Agreement Form.

7 Agency Representative's Signature - Enter manually, in ink or indelible pencil, the signature of an actual representative of the D/A who is authorized to act in its behalf. This may be the same individual who executed the Agreement Form or any designee(s).

8 Date - Enter the date on which the D/O was signed by the D/A.

9 & 10 Leave Blank. These spaces are used by the Area Office.

11 Ship to - Enter the name of the representative of the D/A (Space 7) followed by the name of the D/A (Space 6) that will be held accountable for the distribution of the shipment, e.g., "J. Doe for State Department of Public Inst."

12 Care of - If delivery at destination will be accepted by the representative of the D/A (Space 11), enter "Same As Ship To" here. If delivery at destination will be accepted by a person other than the representative of the D/A named in Space 11, the complete name (including title and agency) of such person will be entered.

13 Destination - Enter here the specific location at which shipment is to be delivered for unloading, e.g., (1) "Blank's Whse., Lakeland, Florida; (2) 723-8th Street, Springfield, Mo.; or (3) Penna Team Track, Washington, D. C."

14 Send Prepaid Wire Notice of Shipment to - Enter the name and address of the person to whom a wire notice of shipment is to be sent. Only one wire notice of shipment will be sent for each carload shipped, except where a shipment is split between two different States, in which case, a wire notice of shipment will be sent for each portion of the car. Therefore,

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(III A 14)

where shipments are split between consignees in the same State the person designated to receive the wire should be able to notify consignees at stop-off and final destinations. This space on the "B" part of split shipment D/O's within the same State may be filled in by inserting "See D/O (number) "A", attached."

**15 Special Instructions Where Required - Remarks in this space will be made as follows:**

a When shipment is required to be made by rail insert "Via Rail Only".

b When shipment is required to be made by truck insert "Via Truck Only".

c When shipment may be made either by rail or truck and the destination shown in Space 13 will be the same regardless of the method of delivery used, insert "Via Truck or Rail".

d When shipment may be made either by rail or truck and the destination shown in Space 13 will differ, according to the method of delivery used.

(1) If destination in Space 13 will apply to rail delivery only, insert

"Via Rail: See Space 13 above"

"Via Truck: Change 13 above to \_\_\_\_\_"

**EXAMPLE "A"**

**13. DESTINATION** Blank's Whse., Lakeland, Fla.

(Point at which shipment is to be unloaded: Street & No., City & State)

**15. SPECIAL INSTRUCTIONS WHERE REQUIRED:** DELIVERING R.R., TEAM TRACK, SIDING, ETC.

VIA Rail: See 13 above. ACL Dely.

VIA Truck: Change 13 above to 700 Main Avenue, Lakeland, Fla.

**PART IV - HANDBOOK OF COMMODITY DISTRIBUTION  
Delivery Order (Form FP-54)**

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(III A 15)

(2) If destination in Space 13 will apply to truck delivery only, insert

"Via Truck: See Space 13 above"

"Via Rail: Change 13 above to \_\_\_\_\_"

**EXAMPLE "B"**

13. DESTINATION Blank's Whse., Syracuse, N.Y.

(Point at which shipment is to be unloaded: Street & No., City & State)

15. SPECIAL INSTRUCTIONS WHERE REQUIRED: DELIVERING R.R., TEAM TRACK, SIDING, ETC.

VIA Truck: See 13 above.

VIA Rail: Change 13 above to NYC Team Track, 4th & Main St., Syracuse, N.Y.

e If the rail destination given in either Space 13 or as an alternative destination in this space is,

(1) On a team track. Enter the name of the team track as shown in EXAMPLE "B" above.

(2) On a private siding or to a warehouse on a siding at a point where reciprocal switching is not in effect. Enter the name of the railroad on which the warehouse or siding is located as shown in EXAMPLE "A" above.

19 Delivery Order Number - Insert in this space a D/O number in accordance with special instructions issued by the Area office.

B Distribution - After preparation of the D/O as described above, the D/A will retain one (white) copy and send the remaining four copies to the Area office.

NOTE - The Area office will furnish D/A's with copies of Form FP-L-4 as acknowledgment of receipt of D/O's in the Area office.

C Following Receipt of Shipment - The pink and white copies of the D/O will be returned to the D/A after shipment has been accomplished, and are to be completed as soon as possible after receipt as follows:

1 Where entire shipment was received in good condition,

a Space 29 - Date Shipment Received - Enter the date on which the shipment was placed for unloading.

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Delivery Order (Form FP-54)

(III C)

b Space 30 - Signature of Authorized Agent - To be signed by authorized agent of D/A.

2. Where shipment was received with shortage and/or damage,

a Space 23 - No. and Size Units Received - Enter the actual number and size of units contained in the shipment on receipt at destination.

b Space 24 - No. and Size Units Accepted - Enter the actual number and size of units accepted on receipt at destination.

c Space 25 - No. and Size Units (Difference) - Enter difference between figures shown in Spaces 23 and 24.

d Space 26 - Net Weight Received - Enter the net weight representing the number of units received as shown in Space 23.

e Space 27 - Net Weight Received in Good Condition - Enter the net weight representing the number of units accepted as shown in Space 24.

f Space 28 - Net Weight (Difference) - Enter the net weight representing the difference between the number of units received and accepted as shown in Space 25.

g Space 29 - Date Shipment Received - Enter the date on which the shipment was placed for unloading.

h Space 30 - Signature of Authorized Agent - To be signed by the authorized agent of the D/A.

D Disposition of Pink Copy of D/O After Completion - The pink copy of the D/O is to be forwarded to the Area office. Where shipment was received with a loss claimed, the pink copy must be accompanied by the original Form FP-57, "Report of Shipment Received Short and/or Damaged". (See Paragraph V, Part V)

**PART IV - HANDBOOK OF COMMODITY DISTRIBUTION  
Delivery Order (Form FP-54)**

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(III A 15)

(2) If destination in Space 13 will apply to truck delivery only, insert

"Via Truck: See Space 13 above"

"Via Rail: Change 13 above to \_\_\_\_\_"

**EXAMPLE "B"**

13. DESTINATION Blank's Whse., Syracuse, N.Y.

(Point at which shipment is to be unloaded: Street & No., City & State)

15. SPECIAL INSTRUCTIONS WHERE REQUIRED: DELIVERING R.R., TEAM TRACK, SIDING, ETC.

VIA Truck: See 13 above.

VIA Rail: Change 13 above to NYC Team Track, 4th & Main St., Syracuse, N.Y.

e If the rail destination given in either Space 13 or as an alternative destination in this space is,

(1) On a team track. Enter the name of the team track as shown in EXAMPLE "B" above.

(2) On a private siding or to a warehouse on a siding at a point where reciprocal switching is not in effect. Enter the name of the railroad on which the warehouse or siding is located as shown in EXAMPLE "A" above.

19 Delivery Order Number - Insert in this space a D/O number in accordance with special instructions issued by the Area office.

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1 Where entire shipment was received in good condition,

a Space 29 - Date Shipment Received - Enter the date on which the shipment was placed for unloading.

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Delivery Order (Form FP-54)

(III C)

b Space 30 - Signature of Authorized Agent - To be signed by authorized agent of D/A.

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D Disposition of Pink Copy of D/O After Completion - The pink copy of the D/O is to be forwarded to the Area office. Where shipment was received with a loss claimed, the pink copy must be accompanied by the original Form FP-57, "Report of Shipment Received Short and/or Damaged". (See Paragraph V, Part V)



U. S. DEPARTMENT OF AGRICULTURE  
PRODUCTION AND MARKETING ADMINISTRATION

EXHIBIT A

## DELIVERY ORDER

TO: PRODUCTION AND MARKETING ADMINISTRATION		COMMODITY	2.
STATE: 1.		QUANTITY	3.
DELIVERY AT DESTINATION (DATES)	4.	AGENCY ORDER NO.	5.
BETWEEN _____ AND _____ NAME OF AGENCY	6.		

The undersigned, being duly authorized to receive and accept commodities for and on behalf of the above named agency, does hereby agree: To accept the above described commodity upon delivery at the destination shown below and to distribute the entire quantity in accordance with instructions prescribed by the Production and Marketing Administration. The signing of the "Consignee's Receipt and Report of Condition on Arrival" by the herein authorized agent shall constitute acceptance of the commodity for and on behalf of the above named agency.

7.	8.	9.	10.
(AGENCY REPRESENTATIVE'S SIGNATURE)	(DATE)	(APPROVED FOR PMA)	(DATE)

## SHIPPING INSTRUCTIONS

SHIP TO (NAME OF CONSIGNEE AGENT INSTITUTION ETC)	11.	SEND PREPAID WIRE NOTICE OF SHIPMENT TO  16. (NAME)
CARE OF (NAME AND TITLE OF PERSON - AUTHORIZED AGENT AT DESTINATION)	12.	  (STREET AND NO.)
DESTINATION (POINT AT WHICH SHIPMENT IS TO BE UNLOADED STREET AND NO CITY STATE)	13.	(CITY) (STATE)

SPECIAL INSTRUCTIONS WHERE REQUIRED: DELIVERING R.R., TEAM TRACK, SLIDING, ETC.

14. ADDRESS OF CONSIGNEE (FURNISH ONLY WHERE IT DIFFERS FROM "DESTINATION")	15.
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## THIS SPACE FOR PMA ONLY

PROGRAM NO	CONTRACT NO.	SHIPPING TICKET NO.	BILL OF LADING NO.	DELIVERY ORDER NO.
17.	18.	19.	20.	21.
COMMODITY 22.		ND. AND SIZE UNITS SHIPPED 23.	QUANTITY SHIPPED GRDSS WT: NET WT:	24.
SHIPPING POINT 25.		RR AT ORIGIN 26.	GRADE AND TYPE	27.
CARRIER SERVICE REQUIRED 28.			DATE SHIPPED	29.

## CONSIGNEE'S RECEIPT AND REPORT OF CONDITION ON ARRIVAL

DATE AND TIME CAR PLACED AT DESTINATION	DATE AND TIME UNLOADING STARTED	DATE AND TIME UNLOADING COMPLETED
30.	31.	32.
CAR INITIALS AND NO. 33.	ND. AND SIZE UNITS RECEIVED 35.	NET WEIGHT RECEIVED 37.
CAR DODD SEAL NO. 34.	NO. AND SIZE UNITS ACCEPTED (SEE NOTE) 36.	NET WEIGHT RECEIVED IN GOOD CONDITION (SEE NOTE) 38.

(DATE) (SIGNATURE OF AUTHORIZED AGENT AT DESTINATION)

NOTE: Where the number of Units accepted and/or the Net Weight Received In Good Condition, differs from that shipped as entered under "This Space for PMA Only," The reverse side of this sheet must be completed.



PART V - HANDBOOK OF COMMODITY DISTRIBUTION  
Shipment and Receipt of Commodities

I PURPOSE

This instruction describes the documents used in shipment and receipt of commodities ordered on Delivery Order Forms FP-54 and sets forth the steps necessary to process such documents.

II WIRE NOTICES OF SHIPMENT

Prepaid wire notices of shipments will be sent to the person designated on the D/O on the same day that shipments are made and should contain the following information: (1) Commodity, (2) Date shipped, (3) Origin point, (4) D/O number, (5) Quantity shipped, (6) Car initials and number, or State license number of truck, (7) Delivering carrier, (8) Destination, (9) For split shipments: the number of units, gross weight and net weight, delivering carrier for each consignee and, where applicable, the reversal of stop-over and final destination.

III GOVERNMENT BILLS OF LADING

The original government bill of lading (B/L) will be sent to the D/A after shipment has been accomplished and is to be completed as follows:

A When No Loss Is Reported: When a shipment is received without loss, the B/L will be completed by filling in the "Consignee's Receipt of Delivery" as follows:

1 Insert name of delivering carrier and actual point of delivery, e.g., Illinois Central, XYZ Siding, Jackson, Miss.

2 Insert gross weight of shipment. The "Gross Weight" is the actual weight of the contents of the car, as received, regardless of its condition. If there is no "shortage" in the car this figure may be taken from that shown under the "Weights" column of the B/L. If there is a "shortage", the gross weight shall be determined by multiplying the Units received by the gross weight of the Unit.

NOTE - When a carload is split between two destinations, the B/L will be accompanied by a Certificate of Partial Delivery (Form SS-75)-See Par. IV below-and the gross weight entered on the B/L will be only for that portion of the shipment unloaded at the final destination.

## PART V - HANDBOOK OF COMMODITY DISTRIBUTION

(III A)

3 Consignee signs in the place designated in the lower right hand corner.

NOTE - The person signing must be the same person named on the B/L as consignee at the final destination. If an agency, and not an individual, is named consignee the person signing must show his title as evidence of his authority.

B When a Loss is Reported: When a shipment is received on which a loss is claimed, the reverse side of the B/L - in addition to the "Consignee's Receipt of Delivery" - will be completed as follows:

1 In the "Description" space, give a brief explanation of the nature and extent of the shortage, damage, spoilage or shrinkage and how (if known) it occurred.

NOTE #1 - Consignees have the right to refuse to accept from the carrier any out-of-condition commodity.

NOTE #2 - If only a portion of a shipment is rejected because of damage or spoilage, the consignee shall immediately notify the agent of the delivering carrier and reject the spoiled or damaged portion to him for final disposition.

NOTE #3 - If an entire car, or a major portion of it, arrives out of condition, the D/A will request disposition from the Area Office.

2 In "Weight of Articles" space, insert gross weight of commodity for which shortage, damage, spoilage or shrinkage is claimed.

3 The certification "that the facts noted above are correct" must be signed by the same person who signed the "Consignee's Certificate of Delivery" on the face of the B/L.

NOTE - The amount of loss must agree with loss reported on Form FP-57 (See paragraph V below).

C Disposition of B/L: After completion the B/L will be surrendered to the agent of the delivering carrier.

NOTE - A Form SS-75 will be attached to each B/L covering split shipments.

## PART V - HANDBOOK OF COMMODITY DISTRIBUTION

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**IV CONSIGNEE'S CERTIFICATE FOR PARTIAL DELIVERY (FORM SS-75)**

The form SS-75 is used to receipt for deliveries received at the stop-off point of a split shipment and is to be attached to and made a part of the original B/L, covering the entire shipment.

A Preparation of Receipt Portion: That portion of the SS-75 titled, "II. RECEIPT TO BE EXECUTED BY STOP-OFF POINT CONSIGNEE," will be completed by filling in the spaces thereunder as follows:

1<sup>o</sup> COMMODITY - Insert name of commodity in shipment. This should coincide with entry shown in "Commodity" space in part I.

2 GROSS WEIGHT - Insert gross weight of commodities unloaded. The "gross weight" is the actual weight of the amount unloaded regardless of its condition. If there is no "shortage" in the car, this entry will coincide with that shown in the "Gross Weight" space in part I.

3 NO. OF UNITS - Insert the number of shipping units received in the shipment. If there is no "shortage" in the car, this entry will coincide with that shown in the "Units" space in part I.

4 NAME OF DELIVERING CARRIER - Enter the name of delivering carrier.

5 INBOUND SEAL NOS. - Enter here the serial number of the seal on each car door when the car arrives at the unloading point.

6 OUTBOUND SEAL NOS. - Enter here the serial number of the seal on each car door when the car is forwarded from the intermediate unloading point. In some cases only one of the "Inbound Seals" will be broken and therefore only one new seal applied before the car is forwarded. In these instances, the same seal number will appear as an "Inbound" and "Outbound" seal number.

7 PLACE OF DELIVERY - Enter city and state where delivery is made. This should coincide with the address of the consignee as shown in the "Name and Address of Consignee" space in part I.

B Execution: Consignees will sign in space provided at lower right hand corner and show date shipment was received in space at lower left hand corner.

## PART V - HANDBOOK OF COMMODITY DISTRIBUTION

C Preparation Reverse Side: When a shipment is received at stop-off point on which a loss is claimed, the reverse side of the SS-75 will be completed in the same manner as the reverse side of the B/L (See Par. IIIB, above.)

D Disposition: The SS-75 will be attached to the B/L covering the shipment and delivered to the agent of the delivering carrier.

## V REPORT OF SHIPMENT RECEIVED SHORT AND/OR DAMAGED (FORM FP-57)

The FP-57 is the document used by D/A's to report losses of commodities caused by shortage, damage and/or spoilage before delivery to the D/A.

NOTE - Immediately upon discovery of any apparent loss, unloading of the car should be stopped and the local freight agent summoned to make an inspection. In addition, if the loss claimed involves all, or a major portion of a car, the Area office must be immediately notified by telephone. In all cases, the freight agent must be notified of the loss claimed before the last load is taken from the car.

A Preparation: A separate FP-57 is required for losses on shipments covered by separate D/O's. The FP-57 will be prepared in an original and two copies as follows:

1. Loss - When any type of loss is reported spaces 1 through 6 will be filled in.

2. Shortage - When the loss reported is caused in whole, or in part, by a shortage spaces 7 through 16, in addition to spaces 1 through 6 - will be filled in.

3. Damage or Spoilage - When the loss reported is caused in whole, or in part, by damage or spoilage, spaces 17 through 30 - in addition to 1 through 6 - will be filled in.

NOTE - The amount of loss through shortage/damage must always agree with loss indicated on original B/L.

B Execution: When the FP-57 has been filled in, it will be executed as follows:

## PART V - HANDBOOK OF COMMODITY DISTRIBUTION

(V-B)

1 By D/A - The same persons who signed the receipt portion of the D/O and the B/L will also execute the FP-57 by signing and dating it in space 31.

2 By Carrier's Agent - The local freight agent will be requested to execute the FP-57 by manually signing in ink or indelible pencil in the designated place under Space 32 and by inserting the name and address of the railroad he represents.

NOTE - If the Carrier's Agent refuses to sign the FP-57, the consignee will enter in this space the name and address of the delivering carrier and the notation, "Carrier's Agent, by name (name of agent), refused to sign this report, one copy of which was delivered to him on (date).". An agent refusing to sign the FP-57 will also be requested to furnish a copy of the Carrier's OS&D report and this report if secured will be attached to the original of the FP-57.

C Distribution: After execution of the FP-57, the original will be attached to the pink copy of the D/O and forwarded to the Area office. One copy will be delivered to the Carrier's Agent and one copy retained by the D/A.

## VI COMMERCIAL BILLS OF LADING

Occasionally shipments move on commercial B/L's. Such document is not a matter of record and will not be furnished to the D/A. When shipments are received on commercial B/L's the Form SS-75 will not be used. However, if a loss is claimed on a shipment moving on a commercial B/L the form FP-57 will be prepared and distributed as prescribed above.

## VII RECEIPT AND TRANSFER OF COMMODITIES FROM/BETWEEN RECIPIENT AGENCIES

A Receipt for Commodities: The D/A will maintain proper accountability for the distribution of donated commodities including receipts at all levels of distribution. It is preferred that such receipts be maintained at the office of the D/A in order to facilitate their review, but the location requirements will be considered met so long as such receipts are maintained at a level not below the last point of distribution.

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PART V - HANDBOOK OF COMMODITY DISTRIBUTION

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(VII-B)

B Transfer of Commodities Between R/A's: The D/A is responsible for supervising and maintaining a proper accountability on the transfer of commodities between recipient agencies to the extent that such transfer encourage maximum consumption of commodities. In the case of school lunch programs, the D/A may delegate this responsibility to local school authorities where such supervision and accountability can be adequately maintained.

Attachments: FORM BS-75  
FORM FP-57

CONSIGNEE'S CERTIFICATE OF PARTIAL DELIVERY  
FOR STOP-OFF POINT

STOP-OFF POINT

STOP-OFF POINT CONSIGNEE will execute this certificate for the amount unloaded by him, showing: commodity, gross weight, number of units, name of transportation company, inbound seal numbers, outbound seal numbers, place of delivery, date, and consignee's signature.

FINAL DESTINATION

FINAL DESTINATION CONSIGNEE will execute certificate on bottom of bill of lading for amount of shipment unloaded at final destination. Leave certificate executed by stop-off point consignee attached and deliver the completed bill of lading to the railroad agent in lieu of freight charges.

CONSIGNEE'S CERTIFICATE OF PARTIAL DELIVERY

I. TO BE FILLED IN BY SHIPPING REPRESENTATIVE

NAME AND ADDRESS OF CONSIGNEE	BILL OF LADING NO.	DATE B/L ISSUED
	COMMODITY	UNITS
	CAR INITIALS & NO.	GROSS WEIGHT (LBS.)

II. RECEIPT TO BE EXECUTED BY STOP-OFF POINT CONSIGNEE

COMMODITY	GROSS WEIGHT (USE WORDS AND FIGURES)		
	NO. OF UNITS		
NAME OF DELIVERING CARRIER	INBOUND SEAL NOS.	OUTBOUND SEAL NOS.	PLACE OF DELIVERY

I hereby acknowledge receipt of the above public property, which was received in apparent good order and condition except as noted on the reverse side.

(DATE)

(SIGNATURE OF CONSIGNEE)

STOP-OFF POINT CONSIGNEE

REPORT OF LOSS, DAMAGE OR SHRINKAGE

Notice is hereby given the carrier to whom this Bill of Lading is surrendered that the shipment was received in condition shown below and that claim is made for the value of such loss, damage, or shrinkage as indicated.

Explanation regarding loss, damage or shrinkage to be made by consignee, who will state all the facts available concerning the nature or extent of the loss, damage, or shrinkage, and how it occurred.

The within shipment was received with the following loss, damage or shrinkage:

Description \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Weight of such articles, \_\_\_\_\_ pounds.

Invoice value or cost of repairs \$ \_\_\_\_\_.

I certify that the facts noted above are correct.

Consignee \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

## REPORT OF SHIPMENT RECEIVED SHORT AND/OR DAMAGED

1. CITY AND STATE OF DESTINATION		2. COMMODITY NAME AND PACK	
3. CAR NO.		4. B/L NO.	
		5. DATE UNLOADED	
		STARTED	COMPLETED
A. SHORTAGE			
7. QUANTITY BILLED		8. QUANTITY RECEIVED	
9. QUANTITY SHRT			
10. SHORTAGE DISCOVERED BEFORE <input type="checkbox"/> AFTER <input type="checkbox"/> DURING LOADING <input type="checkbox"/>		11. SEAL NUMBERS (BOTH DODDS) AND CONDITION	
12. SHIPMENT WAS UNLOADED FROM CAR TO WAREHOUSE <input type="checkbox"/> TEAM TRACK VIA TRUCK TO WAREHOUSE <input type="checkbox"/> TEAM TRACK VIA TRUCK TO RECIPIENT AGENCY <input type="checkbox"/>			
13. PROTECTION AND SUPERVISION AFFORDED SHIPMENT DURING UNLOADING			
14. HOW WAS SHORTAGE DETERMINED PHYSICAL <input type="checkbox"/> TABULATION OR UNLOADING TALLY <input type="checkbox"/> DELIVERY RECEIPTS <input type="checkbox"/>			
15. CAR SPOTTED DATE <input type="checkbox"/> TIME <input type="checkbox"/>			
16. CARRIER NOTIFIED YES <input type="checkbox"/> ND <input type="checkbox"/>		NAME OF AGENT NOTIFIED DATE NOTIFIED	
		HOW NOTIFIED WIRE <input type="checkbox"/> PHONE <input type="checkbox"/> LETTER <input type="checkbox"/>	
B. DAMAGE			
17. QUANTITY BILLED		18. QUANTITY RECEIVED	
19. QUANTITY DAMAGED		20. NET LOSS DUE DAMAGE	
21. NATURE OF DAMAGE BEFORE <input type="checkbox"/> AFTER <input type="checkbox"/> DURING UNLOADING <input type="checkbox"/>			
22. DAMAGED DISCOVERED			
23. APPARENT CAUSE			
24. POSITION OF DAMAGED QUANTITY		25. LOAD PROPERLY BRACED YES <input type="checkbox"/> ND <input type="checkbox"/>	
		26. LOAD SHIFTED OR JUMBLE YES <input type="checkbox"/> ND <input type="checkbox"/>	
IF PERISHABLE COMMODITY FILL IN SPACES NO. 27 AND 28:			
27. AMOUNT OF ICE IN BUNKERS		WAS CAR HEATED YES <input type="checkbox"/> ND <input type="checkbox"/>	
		NO. OF HEATERS	
		POSITION OF VENTS AND PLUGS	
28. TEMPERATURE ON ARRIVAL OUTSIDE <input type="checkbox"/> INSIDE CAR <input type="checkbox"/>			
		29. HOW WAS QUANTITY DAMAGED DETERMINED ACTUAL SCALE WEIGHT <input type="checkbox"/> ESTIMATED <input type="checkbox"/>	
30. CARRIER NOTIFIED YES <input type="checkbox"/> ND <input type="checkbox"/>		NAME OF AGENT NOTIFIED DATE NOTIFIED	
		HOW NOTIFIED WIRE <input type="checkbox"/> PHONE <input type="checkbox"/> LETTER <input type="checkbox"/>	
31. I certify that the information and statements entered above are, to the best of my knowledge and belief, true and correct.			
(SIGNATURE OF CONSIGNEE)		(DATE)	
32. Receipt of a copy of this report is hereby acknowledged and the facts contained herein are verified.			
(DATE)		(SIGNATURE OF CARRIER'S AGENT)	
(NAME OF DELIVERING CARRIER)			
(ADDRESS OF DELIVERING CARRIER)			
(Use Reverse Side If Additional Space Is Needed)			



PART VI - HANDBOOK OF COMMODITY DISTRIBUTION  
Records and Reports

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I PURPOSE

The purpose of this instruction is to prescribe the records and reports that D/A's must maintain and submit.

II MONTHLY REPORT OF DISTRIBUTION OF DONATED COMMODITIES  
(FORM FP-155)

The Form FP-155 (see copy attached) must be submitted monthly by each D/A. The purpose of this report is to provide information on the quantity of each commodity received each month, the quantity to be distribution to each category of eligible recipients and the number of recipients in each category.

A Preparation and Distribution: This report is to be prepared in not less than an original and two carbon copies for each calendar month by each distributing agency. Negative reports shall be submitted for those months in which no shipments are received. The original and one copy of the report are to be forwarded to reach the Area FDD office on or before the 5th day of the month following the calendar month covered by the report.

1 Instructions for Preparation - Detailed instructions for preparation are included on the fact of the report.



MONTHLY REPORT OF RECEIPTS AND PLANNED  
DISTRIBUTION OF DONATED COMMODITIES

REPORT FOR MONTH OF

STATE

NAME OF DISTRIBUTING AGENCY

NAME OF COMMODITY:							
SECTION:							
REPORTING UNIT:							
1. Received during month							
2. Distribution Plan:							
(a) School Lunch Programs							
(b) Summer camps, etc.							
(c) Institutions							
(d) Welfare cases							
(e) Other (SPECIFY)							
3. Recipients of above commodities:							
(a) No. school children							
(b) No. children in summer camps, etc.							
(c) No. persons in institutions							
(d) No. welfare recipients							
(e) No. persons in other groups							

## INSTRUCTIONS FOR COMPLETING FORM FP-155:

- On reverse side list by D/O number each shipment received during the month showing the quantity received in good condition. On line 1 on the face of the report show the total quantity received for each commodity, identifying the program under which the commodity is received. The reporting unit will be the container size in which the commodity was shipped, e.g., number of cases of #10 cans, number of 100-lb. bags, etc.
- Distribution Plan: On lines 2(a) through (e) show the ultimate disposition to be made of all commodities received during the month, i.e., the total quantity of each commodity received should be shown as distributed to the eligible categories even though physical delivery to recipients may not be completed in the month reported.
- On lines 3(a) through (e) show the total number of persons in each category who will participate in the distribution of each commodity.

I hereby certify that the figures on this report are correct according to the records of this office, as of \_\_\_\_\_.  
(DATE)

(DATE)

(REPRESENTATIVE OF THE DISTRIBUTING AGENCY)

**REPORT OF RECEIPT**



